

JAN 08 2018

Edwards,Michelle

CITY CLERK

From: Elliott,Earl
Sent: Monday, January 08, 2018 8:54 AM
To: Azar, George; Auler,Amy; Don Morris; Azar, George; Nasser,Karrum; DeBaun,Curtis; Nation,Todd; Garrison,Neil; Crossen,Martha
Cc: Bennett,Duke A; Felling,Darrell; Edwards,Michelle
Subject: TAW borrowings

Council members, I was able to ask many of you but not all about the \$3,000,000 reduction in short -term borrowing that is in the Mayor's plan. The first issue is if the reduction is from the DOR loan, the TAW borrowings or both. The \$5.0 million loan from DOR is locked in until June 30. There is no TAW borrowing at this moment so now is the time to address this issue. Think about this and if you feel strongly one way or the other, please let me know. I will work on some calculations that reduce DOR loans by \$1.8 million and the TAW borrowing by \$1.2 million. These reductions are roughly in proportion to the outstanding borrowings from these two sources. If we can agree on this or a similar approach, this has a significant impact on the TAW loan special ordinance.

I believe the Downtown TIFF receives nearly \$1,000,000 per year, so the \$4.5 million borrowing from the Downtown TIFF has not increased and will not increase.

I think we should have the following information before we vote on the TAW loan.

November and December , 2017 financial statements

The December 31, 2017 cash balance statement. How do our 12/31/2017 balances compare to the 12/31/16 balances?

The 1782 notices on our 2018 budgets . I basically feel like we forced into renewing the \$5.0 million in borrowing from the DOR because of the required response to the 2017 1782 notices. and I did not like that.

The current status of repaying the loan from Vigo County. Was the \$150,000 payment made in December 2017 or in early January, 2018 as we were told in December? Perhaps the actions/ paperwork on repaying the Loan from the County should be locked in before we approve any more TAW borrowings.

We won't have all the above information for our January 11 meeting so I will be prepared to address the interest rate increase issue if it comes up .

Once the TAW borrowing for 2018 is addressed, we can put together our own longer term plan for eliminating short-term borrowings. It will be pretty simple to put together.

If anyone has any thoughts, questions or concerns, let me know what they are.

Thanks, Earl